

**Daphne.Duke**

244029

**From:** Nina.Gates  
**Sent:** Wednesday, May 08, 2013 9:30 AM  
**To:** Daphne.Duke; Deborah.Easterling  
**Subject:** FW: duke rate increase

005/13/13

aps

-----Original Message-----

**From:** [osteens@juno.com](mailto:osteens@juno.com) [mailto:[osteens@juno.com](mailto:osteens@juno.com)]  
**Sent:** Wednesday, May 08, 2013 9:18 AM  
**To:** PSC\_Commissioner.Fleming  
**Subject:** duke rate increase

Commissioner Fleming  
Public Service Commission

May 8, 2013

RE: Duke Rate Increase

My problem with the proposed rate increase is that Duke has not justified their claim other than pointing in vague directions, like increased costs to upgrade coal facilities.

I'm concerned that we do not finance their recent merger. I'm disappointed that we, both as stockholders and the public do not hear from our so-called elected officials, the Duke Board of Directors, who legally have a fiduciary duty to the stockholders.

I think stock based compensation should be abolished, noting that in three years 52 million dollars of expense related to options have been recognized, and over a million shares of options have been granted.

It is a disgrace and mis-use of public money to go out in the market and purchase these options, especially in a time of rising market prices.

It is a disgrace and misuse of stockholder money to just 'create' stock, as also happens.

It is a misrepresentation of accounting theory to capitalize part of the cost of defined retirement plans to property, plant and equipment. ( p. 210 of the 100-K).

The practices of using money to buy back stock and capitalize other costs to fixed assets, is a type of 'smoke,' which makes me wary of why Duke wants more money.

Duke has an obligation to disclose why they need the money and prove that how they spend the money is effective and efficient. For example, if they need to upgrade a coal plant for pollution purposes, or move more toward natural gas availability, show that the expenditure is not an over payment to a company, partially owned by a member of management or a board member, but is cost worthy.

In addition, has the merger made Duke less or more risky, as the % of debt relative to total assets.

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MAIL / DMS

Kind regards,

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